

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

IN RE: FANSTEEL INC., ET AL., ¹)	
)	
Fansteel Inc.)	
)	
Plaintiff)	Civil Action No. 04-460 (JJF)
)	
v)	
)	
Ameritech Corporation)	
)	
Defendant)	Adversary Case No. 04-51118 Bankruptcy Case No. 02-10109 (JJF)

Objection Deadline: March 16, 2005 at 4:00 p.m. Eastern Time
Hearing Date: TBD, if necessary

NOTICE OF SETTLEMENT OF AVOIDANCE ACTION

Plaintiff, Fansteel, Inc., Reorganized Debtor (hereinafter referred to as "Plaintiff"), files this Notice of Settlement of Avoidance Action (the "Notice"). A proposed Mutual Settlement Agreement and Release (the "Settlement Agreement") was entered into by Plaintiff and Ameritech Corporation, (hereinafter referred to as "Defendant"), on December 31, 2004, a copy of which is attached hereto, which Settlement Agreement provides, *inter alia*, the following:

¹ The Reorganized Debtors are the following entities: Fansteel Inc. and Wellman Dynamics Corp.

Name of Defendant:	Ameritech Corporation
Adversary Proceeding No.:	04-51118
Complaint Amount:	\$13,063.56
Settlement Amount:	\$ 1,000.00 Waiver of 11 U.S.C. § 502(h) Claim and waiver of any pre-petition claim
Special Circumstances: Ordinary Course and substantial New Value defenses.	

Plaintiff submits that the above Settlement Agreement is the product of arm's-length negotiations between Plaintiff and Defendant. The Settlement Agreement represents a favorable resolution of Plaintiff's claims and results in a cash payment [and claim waiver(s)] to Plaintiff for the benefit of creditors. Accordingly, Plaintiff further submits that the Settlement Agreement is fair and reasonable, is in the best interest of the creditors, and is the result of the exercise of sound business judgment.

If you object to the terms of the settlement, you are required to file an objection to this Settlement Agreement on or before March 16, 2005 at 4:00 p.m.

THIS NOTICE IS SUBMITTED ON NEGATIVE NOTICE. ANY PARTY OBJECTING TO THE RELIEF REQUESTED HEREIN SHALL MAKE ITS OBJECTION KNOWN BY FILING AN OBJECTION TO THE PROPOSED SETTLEMENT, SERVED UPON THE UNDERSIGNED AND FILED WITH THE COURT NO LATER THAN FIVE (5) BUSINESS DAYS AFTER DELIVERY HEREOF. A HEARING ON THE NOTICE WILL BE HELD AT A TIME TO BE DETERMINED BY THE COURT ONLY IF A TIMELY

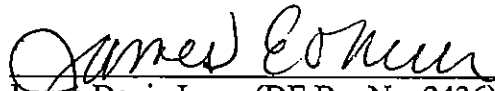
OBJECTION IS FILED. IF NO SUCH OBJECTIONS ARE FILED, THE SETTLEMENT WILL BE DEEMED APPROVED WITHOUT FURTHER ORDER OF THE COURT.

Dated: March 9, 2005

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AND

PACHULSKI, STANG, ZIEHL, YOUNG, JONES
& WEINTRAUB P.C.



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FANSTEEL